

HIPIOWA – State High-Risk Health Insurance Pool

The Iowa Comprehensive Health Association (HIPIOWA) was created by the General Assembly to provide health insurance coverage for Iowa's high-risk pool of individuals. In CY 2011, the average monthly program enrollment was 3,232 individuals.

HIPIOWA is governed by a board of directors composed of representatives of health insurance carriers, the Commissioner of the Iowa Insurance Division or the Commissioner's designee, public members appointed by the Governor, and legislative members. The Insurance Division, Department of Commerce provides general staff support for the Board, and the program is administered through a contract with CDBykerk Consulting LLC, an actuarial and insurance consulting firm located in Omaha, Nebraska.

Eligibility

HIPIOWA coverage is offered to state residents that have at least one of the following:

- A notice of rejection of health insurance coverage within the last nine months.
- A notice of health insurance benefit reduction or limitation that substantially reduces benefits compared to benefits available to others, such as a rider that excludes or modifies benefits for a condition.
- A notice of refusal to issue insurance except at a rate exceeding the plan rate of a comparable HIPIOWA plan.
- Other involuntary termination (other than nonpayment).

The medical conditions establishing eligibility include:

Acquired Immune Deficiency Syndrome (AIDS)

Angina Pectoris

Arteriosclerosis Obliterans

Artificial Heart Valve

Ascites

Cardiomyopathy

Chemical Dependency

Cirrhosis of the Liver

Coronary Insufficiency

Coronary Occlusion

Cystic Fibrosis

Dermatomyositis

Friedreich's Disease

Huntington's Disease

Hydrocephalus

Intermittent Claudication

Juvenile Diabetes

Kidney Failure (requiring dialysis)

Lead Poisoning with Cerebral Involvement

Leukemia

Lupus

Malignant Tumor (treated within four years)

Metastatic Cancer

Motor or Sensory Aphasia

Multiple or Disseminated Sclerosis

Muscular Atrophy or Dystrophy

Myasthenia Gravis

Myotonia

Open Heart Surgery

Paraplegia or Quadriplegia

Parkinson's Disease

Peripheral Arteriosclerosis (if treated within last three years)

Polyarteritis (periarteritis nodosa)

Postero-lateral Sclerosis

Psychotic Disorders

Silicosis

Splenic Anemia (True Banti's Syndrome)

Still's Disease

Stroke (CVA)

Syringomyelia

Tabes Dorsalis (locomotor ataxia)

Topectomy and Lobotomy

Wilson's Disease

More Information

Iowa Comprehensive Health Association (HIPIOWA): <https://www.hipiowa.com/default.asp>

Iowa General Assembly: <https://www.legis.iowa.gov/index.aspx>

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Individuals are not eligible if they:

- Are not a resident of Iowa.
- Have terminated coverage in HIPIOWA within the last 12 months, unless there has been continuous other coverage that has been involuntarily terminated for any reason other than nonpayment of premiums.
- Are inmates of a public institution.
- Have been paid the maximum allowable benefits payable under this program.
- Are eligible for a group plan through an employer.
- Are eligible for public programs where the individual premiums are paid for or reimbursed under any government sponsored program or by any government agency or health care provider.

Funding

Enrolled individuals are required to pay premiums for the coverage. The premiums are 150.0% of the average market rate of the top five individual insurance carriers. By law, HIPIOWA may not accept payment of HIPIOWA premiums from third-party payers except that close family members may pay the premiums on behalf of the covered individual. Specifically, Iowa Code section 514E.7.5 (d) prohibits individual premiums from being paid for or reimbursed under any government sponsored program or by any government agency or health care provider.

The premium payments are not adequate to cover the health care expenses of these high-risk individuals. The remaining costs are covered by assessments paid by individual insurance companies insuring Iowans. The insurance companies are allowed to offset the HIPIOWA assessments from premium taxes over a five-year period. That is, the program is funded by revenues that otherwise would have been paid to the State.

In calendar year 2011, the revenues totaled \$20.2 million from premiums, \$19.0 million from assessments paid by insurers, and \$817,000 from other sources. Program expenses were \$40.0 million for provider reimbursement for medical and pharmacy claims and \$2.1 million for third-party administrator, pool administration, and other costs. The program had a cash balance of approximately \$21.0 million to cover the shortfall.

Related Statutes

Iowa Code chapter 514E